

CRAVATH, SWAINE & MOORE JAN 20 1982 - 12 15 PM

ONE CHASE MANHATTAN PLAZA

INTERSTATE COMMERCE COMMISSION
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13441
NEW YORK, N. Y. 10005

JAN 20 1982 - 12 15 PM

INTERSTATE COMMERCE COMMISSION

13441

2-10-3040-12

No. 13441
JAN 20 1982

Date JAN 20 1982 - 12 15 PM

Fee \$ 100.00

ICC Washington, D. C.

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JAN 20 1982 - 12 15 PM

INTERSTATE COMMERCE COMMISSION

January 18, 1982

The Pittsburgh and Lake Erie Railroad Company
Lease Financing Dated as of January 1, 1982
15-7/8% Conditional Sale Indebtedness
Due June 1, 1997

[CS&M Ref: 2483-140]

Dear Ms. Mergenovich:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of The Pittsburgh and Lake Erie Railroad Company for filing and recordation counterparts of the following documents:

(1) (a) Conditional Sale Agreement dated as of January 1, 1982, between The Connecticut Bank and Trust Company, as Trustee, and Greenville Steel Car Company and The Maxson Corporation, as Builders;

(b) Agreement and Assignment dated as of January 1, 1982, between Manufacturers Hanover Trust Company, as Agent, and Greenville Steel Car Company and The Maxson Corporation, as Builders;

(2) (a) Lease of Railroad Equipment dated as of January 1, 1982, between The Pittsburgh and Lake Erie Railroad Company, as Lessee, and The Connecticut Bank and Trust Company, as Lessor; and

next page

[Handwritten signatures and initials]

-C
(b) Assignment of Lease and Agreement dated as of January 1, 1982, between The Connecticut Bank and Trust Company, as Trustee, and Manufacturers Hanover Trust Company, as Agent.

The names and addresses of the parties to the aforementioned Agreements are as follows:

Trustee-Lessor:

The Connecticut Bank and Trust Company,
Corporate Trust Department,
6th Floor,
100 Constitution Plaza,
Hartford, Connecticut 06115.

Builders:

Greenville Steel Car Company,
Union Street,
Greenville, Pennsylvania 16125.

The Maxson Corporation,
500 Como Avenue,
St. Paul, Minnesota 55103.

Lessee:

The Pittsburgh and Lake Erie Railroad Company,
324 Pittsburgh and Lake Erie Terminal Building,
Smithfield and Carson Streets,
Pittsburgh, Pennsylvania 15219.

Agent:

Manufacturers Hanover Trust Company,
40 Wall Street,
New York, N.Y. 10015

Please file and record the documents referred to in this letter and index them under the names of the Trustee-Lessor, the Builders, the Lessee and the Agent.

The equipment covered by the aforementioned agreements is listed in Exhibit A hereto and bears the legend "Ownership Subject to a Security Agreement Filed with the Interstate Commerce Commission".

Enclosed is our check for \$100 for the required recordation fee. Please accept for recordation one counterpart of each of the enclosed agreements, stamp the remaining counterparts with your recordation number and return them to the delivering messenger along with your fee receipt addressed to the undersigned.

Very truly yours,

Laurance V. Goodrich

Laurance V. Goodrich
As Agent for The Pittsburgh
and Lake Erie Railroad Company

Agatha Mergenovich, . Secretary,
Interstate Commerce Commission,
Washington, D.C. 20423

Encls.

89A

13441/A
RECORDATION NO. Filed 1425

JAN 20 1982 - 12 15 PM

INTERSTATE COMMERCE COMMISSION

[CS&M Ref. 2483-140]

AGREEMENT AND ASSIGNMENT

Dated as of January 1, 1982

among

each of

GREENVILLE STEEL CAR COMPANY,

THE MAXSON CORPORATION

and

MANUFACTURERS HANOVER TRUST COMPANY,

as Agent

AGREEMENT AND ASSIGNMENT dated as of January 1, 1982, among each of GREENVILLE STEEL CAR COMPANY, a Pennsylvania corporation, and THE MAXSON CORPORATION, a Minnesota corporation (collectively "Builders" and severally "Builder"), and MANUFACTURERS HANOVER TRUST COMPANY, acting not in its individual capacity but solely as Agent under a Participation Agreement dated as of the date hereof ("Participation Agreement"), a copy of which has been delivered to the Builders, said Agent, as so acting, together with its successors and assigns, being hereinafter called "Assignee".

The Builders and THE CONNECTICUT BANK AND TRUST COMPANY, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof ("Trust Agreement") with GENERAL ELECTRIC CREDIT CORPORATION ("Owner") have entered into a Conditional Sale Agreement dated as of the date hereof ("CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders and the purchase by the Trustee of the railroad equipment described in Annex B to the CSA ("Equipment").

The Trustee and THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the lease to the Lessee of the Equipment.

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT ("Assignment") WITNESSETH: that in consideration of the sum of \$1 and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Trustee, subject to payment by the Assignee to such Builder of the amount required to be paid pursuant to Section 4 hereof and of the amounts due from the Trustee to such Builder under the CSA;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver its Equipment and the right to receive the payments specified in paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by such Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to such Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in paragraph 4.1 of the CSA) of its Equipment and interest thereon and in and to any other sums becoming due from the Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all such Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against such Builder for or on account of the failure of the Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of such Builder to deliver its Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 14 of the CSA or relieve the Trustee from its obligations to such Builder contained in Articles 2, 3, 4, 6 and 14 of the CSA, it being agreed that, notwithstanding this Agreement, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of such Builder to the Trustee with respect to its Equipment shall be and remain enforceable by the Trustee, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee in the Assignee's own name, or in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and compliance by the Trustee with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA

and will deliver the same upon completion to the Trustee in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Trustee that at the time of delivery of each unit of its Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease; and each Builder further agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Trustee thereunder. Each Builder will not deliver any of its Equipment to the Trustee under the CSA until the CSA, the CSA Assignment, the Lease and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303(a). Each Builder and its counsel shall be entitled to rely on advice from special counsel for the Assignee that such filing has occurred.

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by the Trustee or the Lessee arising out of a breach by such Builder of any obligation with respect to its Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Trustee or the Lessee by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Trustee or the Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and

accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Lessee and not manufactured by a Builder and in cases of designs, systems, processes, formulae or combinations specified by the Lessee and not developed or purported to be developed by such Builder, such Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any claim actually known to the Assignee which is based upon any such alleged infringement and will give to such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Trustee or the Lessee with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon such Equipment or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA, shall pay to the appropriate Builder an amount equal to the portion of the Purchase Price of its Equipment as shown on the invoice therefor then being settled for, which under the terms of paragraph 4.3(b) thereof, is payable in installments, provided that the conditions specified in Paragraphs 7 and 8 of the Participation Agreement shall have been satisfied and there shall have been delivered to the Assignee (with a copy to the Trustee) on or prior to the Closing Date, the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to the Assignee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from such Builder to the Assignee transferring to the Assignee the security interest of such Builder in such units, warranting to the Assignee and to the Trustee that, at the time of delivery of such units under the CSA, such Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease, and covenanting to defend the title to such units against demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to such units of the Equipment as contemplated by paragraph 3.4 of the CSA and § 2 of the Lease;

(c) an invoice of such Builder for such units of the Equipment accompanied by or having endorsed thereon a certification by the Trustee and the Lessee as to their approval thereof if the invoice is in an amount other than the base price as specified in paragraph 4.1 of the CSA;

(d) an opinion of counsel for such Builder, dated as of the Closing Date, addressed to the Assignee and the Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by such Builder and are valid and effective to vest in the Assignee the security interest of such Builder in such units of the Equipment, free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and the rights of the Lessee under the Lease) arising from, through or under such Builder; and

(e) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on the Closing Date to such Builder with respect to such Builder's Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Trustee.

The obligation of the Assignee hereunder to make payment for any of the Equipment assigned hereunder is

herèby conditioned upon the Assignee having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by the Trustee of the amount required to be paid by it pursuant to paragraph 4.3(a) of the CSA. In the event that the Assignee shall not make any such payment, the Assignee shall reassign to the appropriate Builder, without recourse to the Assignee, all rights, titles, interests, powers, privileges and remedies assigned to the Assignee pursuant to Section 1 hereof insofar as they relate to units of Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 15 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby:

(a) represents and warrants to the Assignee and the Trustee that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Trustee, the CSA is, insofar as such Builder is concerned, a legal, valid and binding agreement, enforceable against such Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the Commonwealth of Pennsylvania; provided, however, that the parties shall be entitled to all the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Agreement shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of Equipment.

SECTION 8. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Assignee shall be deemed to be the original counterpart. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Assignment or to perform its obligations hereunder. The rights and obligations under this Agreement of each Builder are several in accordance with its interests and not joint. Accordingly, whenever in this Agreement a right is conferred or an obligation is imposed on a Builder, such right shall be construed to accrue to or to be enforceable against only the specific Builder furnishing the units of Equipment giving rise to such right or obligations and its successors and assigns. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GREENVILLE STEEL CAR COMPANY,

by

J. T. Egbert
Vice President

[Corporate Seal]

Attest:

R. L. Johnson
Assistant Secretary

[Corporate Seal]

Attest:

[Corporate Seal]

Attest:

Assistant Trust Officer

THE MAXSON CORPORATION,

by

MANUFACTURERS HANOVER TRUST
COMPANY, not in its individual
capacity, but solely as Agent,

by

Assistant Vice President

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assign-
ment made by, the foregoing Agreement and Assignment is hereby
acknowledged as of January 1, 1982.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

by

Authorized Officer

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this 18th day of January 1982, before me personally appeared *J. T. Egbert*, to me personally known, who, being by me duly sworn, says that he is a Vice President of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Leora Smith
Notary Public

[Notarial Seal]

LEORA SMITH, Notary Public
GREENVILLE, MERCER COUNTY

My Commission expires _____ My Commission Expires March 18, 1985

STATE OF MINNESOTA,)
) ss.:
COUNTY OF RAMSEY,)

On this day of January 1982, before me personally appeared , to me personally known, who being by me duly sworn, says that he is of THE MAXSON CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of January 1982, before me personally appeared , to me personally known, who being by me duly sworn, says that he is

of MANUFACTURERS HANOVER TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said company, that said instrument was signed and sealed on behalf of said company by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

[Notarial Seal]

My Commission expires

Notary Public

AGREEMENT AND ASSIGNMENT

Dated as of January 1, 1982

among

each of

GREENVILLE STEEL CAR COMPANY,

THE MAXSON CORPORATION

and

MANUFACTURERS HANOVER TRUST COMPANY,

as Agent

AGREEMENT AND ASSIGNMENT dated as of January 1, 1982, among each of GREENVILLE STEEL CAR COMPANY, a Pennsylvania corporation, and THE MAXSON CORPORATION, a Minnesota corporation (collectively "Builders" and severally "Builder"), and MANUFACTURERS HANOVER TRUST COMPANY, acting not in its individual capacity but solely as Agent under a Participation Agreement dated as of the date hereof ("Participation Agreement"), a copy of which has been delivered to the Builders, said Agent, as so acting, together with its successors and assigns, being hereinafter called "Assignee".

The Builders and THE CONNECTICUT BANK AND TRUST COMPANY, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof ("Trust Agreement") with GENERAL ELECTRIC CREDIT CORPORATION ("Owner") have entered into a Conditional Sale Agreement dated as of the date hereof ("CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders and the purchase by the Trustee of the railroad equipment described in Annex B to the CSA ("Equipment").

The Trustee and THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the lease to the Lessee of the Equipment.

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT ("Assignment") WITNESSETH: that in consideration of the sum of \$1 and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Trustee, subject to payment by the Assignee to such Builder of the amount required to be paid pursuant to Section 4 hereof and of the amounts due from the Trustee to such Builder under the CSA;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver its Equipment and the right to receive the payments specified in paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by such Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to such Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in paragraph 4.1 of the CSA) of its Equipment and interest thereon and in and to any other sums becoming due from the Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all such Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against such Builder for or on account of the failure of the Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of such Builder to deliver its Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 14 of the CSA or relieve the Trustee from its obligations to such Builder contained in Articles 2, 3, 4, 6 and 14 of the CSA, it being agreed that, notwithstanding this Agreement, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of such Builder to the Trustee with respect to its Equipment shall be and remain enforceable by the Trustee, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee in the Assignee's own name, or in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and compliance by the Trustee with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA

and will deliver the same upon completion to the Trustee in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Trustee that at the time of delivery of each unit of its Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease; and each Builder further agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Trustee thereunder. Each Builder will not deliver any of its Equipment to the Trustee under the CSA until the CSA, the CSA Assignment, the Lease and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303(a). Each Builder and its counsel shall be entitled to rely on advice from special counsel for the Assignee that such filing has occurred.

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by the Trustee or the Lessee arising out of a breach by such Builder of any obligation with respect to its Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Trustee or the Lessee by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Trustee or the Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and

accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Lessee and not manufactured by a Builder and in cases of designs, systems, processes, formulae or combinations specified by the Lessee and not developed or purported to be developed by such Builder, such Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any claim actually known to the Assignee which is based upon any such alleged infringement and will give to such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Trustee or the Lessee with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon such Equipment or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA, shall pay to the appropriate Builder an amount equal to the portion of the Purchase Price of its Equipment as shown on the invoice therefor then being settled for, which under the terms of paragraph 4.3(b) thereof, is payable in installments, provided that the conditions specified in Paragraphs 7 and 8 of the Participation Agreement shall have been satisfied and there shall have been delivered to the Assignee (with a copy to the Trustee) on or prior to the Closing Date, the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to the Assignee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from such Builder to the Assignee transferring to the Assignee the security interest of such Builder in such units, warranting to the Assignee and to the Trustee that, at the time of delivery of such units under the CSA, such Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease, and covenanting to defend the title to such units against demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to such units of the Equipment as contemplated by paragraph 3.4 of the CSA and § 2 of the Lease;

(c) an invoice of such Builder for such units of the Equipment accompanied by or having endorsed thereon a certification by the Trustee and the Lessee as to their approval thereof if the invoice is in an amount other than the base price as specified in paragraph 4.1 of the CSA;

(d) an opinion of counsel for such Builder, dated as of the Closing Date, addressed to the Assignee and the Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by such Builder and are valid and effective to vest in the Assignee the security interest of such Builder in such units of the Equipment, free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and the rights of the Lessee under the Lease) arising from, through or under such Builder; and

(e) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on the Closing Date to such Builder with respect to such Builder's Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Trustee.

The obligation of the Assignee hereunder to make payment for any of the Equipment assigned hereunder is

hereby conditioned upon the Assignee having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by the Trustee of the amount required to be paid by it pursuant to paragraph 4.3(a) of the CSA. In the event that the Assignee shall not make any such payment, the Assignee shall reassign to the appropriate Builder, without recourse to the Assignee, all rights, titles, interests, powers, privileges and remedies assigned to the Assignee pursuant to Section 1 hereof insofar as they relate to units of Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 15 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby:

(a) represents and warrants to the Assignee and the Trustee that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Trustee, the CSA is, insofar as such Builder is concerned, a legal, valid and binding agreement, enforceable against such Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the Commonwealth of Pennsylvania; provided, however, that the parties shall be entitled to all the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Agreement shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of Equipment.

SECTION 8. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Assignee shall be deemed to be the original counterpart. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Assignment or to perform its obligations hereunder. The rights and obligations under this Agreement of each Builder are several in accordance with its interests and not joint. Accordingly, whenever in this Agreement a right is conferred or an obligation is imposed on a Builder, such right shall be construed to accrue to or to be enforceable against only the specific Builder furnishing the units of Equipment giving rise to such right or obligations and its successors and assigns. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GREENVILLE STEEL CAR COMPANY,

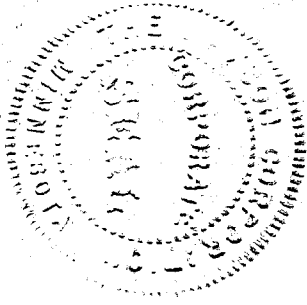
by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary



[Corporate Seal]

Attest:

[Signature]

[Corporate Seal]

Attest:

Assistant Trust Officer

THE MAXSON CORPORATION,

by

R.L. [Signature]

MANUFACTURERS HANOVER TRUST
COMPANY, not in its individual
capacity, but solely as Agent,

by

Assistant Vice President

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment is hereby acknowledged as of January 1, 1982.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

by

Authorized Officer

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of January 1982, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

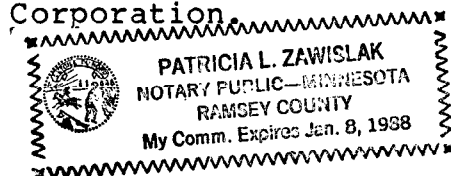
Notary Public

[Notarial Seal]

My Commission expires

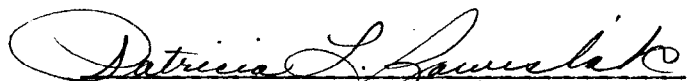
STATE OF MINNESOTA,)
) ss.:
COUNTY OF RAMSEY,)

On this 19th day of January 1982, before me personally appeared Robert L. Nord, to me personally known, who being by me duly sworn, says that he is Executive Vice President of THE MAXSON CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



[Notarial Seal]

My Commission expires 1-8-88



Notary Public

STATE OF NEW YORK,)
) SS.:
COUNTY OF NEW YORK,)

On this day of January 1982, before me personally appeared , to me personally known, who being by me duly sworn, says that he is

of MANUFACTURERS HANOVER TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said company, that said instrument was signed and sealed on behalf of said company by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

[Notarial Seal]

My Commission expires

Notary Public

AGREEMENT AND ASSIGNMENT

Dated as of January 1, 1982

among
each of

GREENVILLE STEEL CAR COMPANY,

THE MAXSON CORPORATION

and

MANUFACTURERS HANOVER TRUST COMPANY,

as Agent.

AGREEMENT AND ASSIGNMENT dated as of January 1, 1982, among each of GREENVILLE STEEL CAR COMPANY, a Pennsylvania corporation, and THE MAXSON CORPORATION, a Minnesota corporation (collectively "Builders" and severally "Builder"), and MANUFACTURERS HANOVER TRUST COMPANY, acting not in its individual capacity but solely as Agent under a Participation Agreement dated as of the date hereof ("Participation Agreement"), a copy of which has been delivered to the Builders, said Agent, as so acting, together with its successors and assigns, being hereinafter called "Assignee".

The Builders and THE CONNECTICUT BANK AND TRUST COMPANY, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof ("Trust Agreement") with GENERAL ELECTRIC CREDIT CORPORATION ("Owner") have entered into a Conditional Sale Agreement dated as of the date hereof ("CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders and the purchase by the Trustee of the railroad equipment described in Annex B to the CSA ("Equipment").

The Trustee and THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the lease to the Lessee of the Equipment.

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT ("Assignment") WITNESSETH: that in consideration of the sum of \$1 and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Trustee, subject to payment by the Assignee to such Builder of the amount required to be paid pursuant to Section 4 hereof and of the amounts due from the Trustee to such Builder under the CSA;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver its Equipment and the right to receive the payments specified in paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by such Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to such Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in paragraph 4.1 of the CSA) of its Equipment and interest thereon and in and to any other sums becoming due from the Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all such Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against such Builder for or on account of the failure of the Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of such Builder to deliver its Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 14 of the CSA or relieve the Trustee from its obligations to such Builder contained in Articles 2, 3, 4, 6 and 14 of the CSA, it being agreed that, notwithstanding this Agreement, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of such Builder to the Trustee with respect to its Equipment shall be and remain enforceable by the Trustee, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee in the Assignee's own name, or in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and compliance by the Trustee with the terms and agreements on its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA

and will deliver the same upon completion to the Trustee in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Trustee that at the time of delivery of each unit of its Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease; and each Builder further agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Trustee thereunder. Each Builder will not deliver any of its Equipment to the Trustee under the CSA until the CSA, the CSA Assignment, the Lease and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303(a). Each Builder and its counsel shall be entitled to rely on advice from special counsel for the Assignee that such filing has occurred.

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by the Trustee or the Lessee arising out of a breach by such Builder of any obligation with respect to its Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Trustee or the Lessee by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Trustee or the Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and

accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Lessee and not manufactured by a Builder and in cases of designs, systems, processes, formulae or combinations specified by the Lessee and not developed or purported to be developed by such Builder, such Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any claim actually known to the Assignee which is based upon any such alleged infringement and will give to such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Trustee or the Lessee with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon such Equipment or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA, shall pay to the appropriate Builder an amount equal to the portion of the Purchase Price of its Equipment as shown on the invoice therefor then being settled for, which under the terms of paragraph 4.3(b) thereof, is payable in installments, provided that the conditions specified in Paragraphs 7 and 8 of the Participation Agreement shall have been satisfied and there shall have been delivered to the Assignee (with a copy to the Trustee) on or prior to the Closing Date, the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to the Assignee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from such Builder to the Assignee transferring to the Assignee the security interest of such Builder in such units, warranting to the Assignee and to the Trustee that, at the time of delivery of such units under the CSA, such Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease, and covenanting to defend the title to such units against demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to such units of the Equipment as contemplated by paragraph 3.4 of the CSA and § 2 of the Lease;

(c) an invoice of such Builder for such units of the Equipment accompanied by or having endorsed thereon a certification by the Trustee and the Lessee as to their approval thereof if the invoice is in an amount other than the base price as specified in paragraph 4.1 of the CSA;

(d) an opinion of counsel for such Builder, dated as of the Closing Date, addressed to the Assignee and the Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by such Builder and are valid and effective to vest in the Assignee the security interest of such Builder in such units of the Equipment, free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and the rights of the Lessee under the Lease) arising from, through or under such Builder; and

(e) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on the Closing Date to such Builder with respect to such Builder's Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Trustee.

The obligation of the Assignee hereunder to make payment for any of the Equipment assigned hereunder is

hereby conditioned upon the Assignee having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by the Trustee of the amount required to be paid by it pursuant to paragraph 4.3(a) of the CSA. In the event that the Assignee shall not make any such payment, the Assignee shall reassign to the appropriate Builder, without recourse to the Assignee, all rights, titles, interests, powers, privileges and remedies assigned to the Assignee pursuant to Section 1 hereof insofar as they relate to units of Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 15 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby:

(a) represents and warrants to the Assignee and the Trustee that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Trustee, the CSA is, insofar as such Builder is concerned, a legal, valid and binding agreement, enforceable against such Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the Commonwealth of Pennsylvania; provided, however, that the parties shall be entitled to all the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Agreement shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of Equipment.

SECTION 8. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Assignee shall be deemed to be the original counterpart. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Assignment or to perform its obligations hereunder. The rights and obligations under this Agreement of each Builder are several in accordance with its interests and not joint. Accordingly, whenever in this Agreement a right is conferred or an obligation is imposed on a Builder, such right shall be construed to accrue to or to be enforceable against only the specific Builder furnishing the units of Equipment giving rise to such right or obligations and its successors and assigns. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GREENVILLE STEEL CAR COMPANY,

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

[Corporate Seal]

Attest:

[Corporate Seal]

Attest:

Assistant Trust Officer

THE MAXSON CORPORATION,

by _____

MANUFACTURERS HANOVER TRUST
COMPANY, not in its individual
capacity, but solely as Agent,

by _____

Assistant Vice President

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assign-
ment made by, the foregoing Agreement and Assignment is hereby
acknowledged as of January 1, 1982.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

by _____

Authorized Officer

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of January 1982, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF MINNESOTA,)
) ss.:
COUNTY OF RAMSEY,)

On this day of January 1982, before me personally appeared , to me personally known, who being by me duly sworn, says that he is of THE MAXSON CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF NEW YORK,)
) SS.:
COUNTY OF NEW YORK,)

On this 11 day of January 1982, before me personally appeared T. C. CRANE, to me personally known, who being by me duly sworn, says that he is VICE-PRESIDENT of MANUFACTURERS HANOVER TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said company, that said instrument was signed and sealed on behalf of said company by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

[Notarial Seal]

My Commission expires

Notary Public

FRANCES FRAUMENI
Notary Public, State of New York
No. 24-4608287
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1983

AGREEMENT AND ASSIGNMENT

Dated as of January 1, 1982

among

each of

GREENVILLE STEEL CAR COMPANY,

THE MAXSON CORPORATION

and

MANUFACTURERS HANOVER TRUST COMPANY,

as Agent

AGREEMENT AND ASSIGNMENT dated as of January 1, 1982, among each of GREENVILLE STEEL CAR COMPANY, a Pennsylvania corporation, and THE MAXSON CORPORATION, a Minnesota corporation (collectively "Builders" and severally "Builder"), and MANUFACTURERS HANOVER TRUST COMPANY, acting not in its individual capacity but solely as Agent under a Participation Agreement dated as of the date hereof ("Participation Agreement"), a copy of which has been delivered to the Builders, said Agent, as so acting, together with its successors and assigns, being hereinafter called "Assignee".

The Builders and THE CONNECTICUT BANK AND TRUST COMPANY, acting as Trustee ("Trustee") under a Trust Agreement dated as of the date hereof ("Trust Agreement") with GENERAL ELECTRIC CREDIT CORPORATION ("Owner") have entered into a Conditional Sale Agreement dated as of the date hereof ("CSA") covering the construction, sale and delivery, on the conditions therein set forth, by the Builders and the purchase by the Trustee of the railroad equipment described in Annex B to the CSA ("Equipment").

The Trustee and THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the lease to the Lessee of the Equipment.

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT ("Assignment") WITNESSETH: that in consideration of the sum of \$1 and other good and valuable consideration paid by the Assignee to each Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Each Builder hereby assigns, transfers and sets over unto the Assignee:

(a) all the right, title and interest of such Builder in and to each unit of its Equipment when and as severally delivered to and accepted by the Trustee, subject to payment by the Assignee to such Builder of the amount required to be paid pursuant to Section 4 hereof and of the amounts due from the Trustee to such Builder under the CSA;

(b) all the right, title and interest of such Builder in and to the CSA (except the right to construct and deliver its Equipment and the right to receive the payments specified in paragraph 4.3(a) thereof and reimbursement for taxes paid or incurred by such Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to such Builder under the CSA on account of the indebtedness in respect of the Purchase Price (as defined in paragraph 4.1 of the CSA) of its Equipment and interest thereon and in and to any other sums becoming due from the Trustee under the CSA, other than those hereinabove excluded; and

(c) except as limited by subparagraph (b) of this paragraph, all such Builder's rights, titles, powers, privileges and remedies under the CSA;

without any recourse hereunder, however, against such Builder for or on account of the failure of the Trustee to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the CSA; provided, however, that this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the obligations of such Builder to deliver its Equipment in accordance with the CSA or with respect to its warranties and agreements referred to in Article 14 of the CSA or relieve the Trustee from its obligations to such Builder contained in Articles 2, 3, 4, 6 and 14 of the CSA, it being agreed that, notwithstanding this Agreement, or any subsequent assignment pursuant to the provisions of Article 15 of the CSA, all obligations of such Builder to the Trustee with respect to its Equipment shall be and remain enforceable by the Trustee, its successors and assigns, against and only against such Builder. In furtherance of the foregoing assignment and transfer, each Builder hereby authorizes and empowers the Assignee in the Assignee's own name, or in the name of the Assignee's nominee, or in the name of and as attorney, hereby irrevocably constituted, for such Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Assignee is or may become entitled under this Assignment and compliance by the Trustee with the terms and agreements or its part to be performed under the CSA, but at the expense and liability and for the sole benefit of the Assignee.

SECTION 2. Each Builder agrees that it shall construct its Equipment in full accordance with the CSA

and will deliver the same upon completion to the Trustee in accordance with the provisions of the CSA; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the CSA set forth to be performed and complied with by such Builder. Each Builder further agrees that it will warrant to the Assignee and the Trustee that at the time of delivery of each unit of its Equipment under the CSA it had legal title to such unit and good and lawful right to sell such unit and that such unit was free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease; and each Builder further agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by such Builder under the CSA; all subject, however, to the provisions of the CSA and the rights of the Trustee thereunder. Each Builder will not deliver any of its Equipment to the Trustee under the CSA until the CSA, the CSA Assignment, the Lease and the Lease Assignment have been filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303(a). Each Builder and its counsel shall be entitled to rely on advice from special counsel for the Assignee that such filing has occurred.

SECTION 3. Each Builder agrees with the Assignee that in any suit, proceeding or action brought by the Assignee under the CSA for any installment of, or interest on, indebtedness in respect of the Purchase Price of its Equipment or to enforce any provision of the CSA, such Builder will indemnify, protect and hold harmless the Assignee from and against all expenses, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by the Trustee or the Lessee arising out of a breach by such Builder of any obligation with respect to its Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Trustee or the Lessee by such Builder. Each Builder's obligation so to indemnify, protect and hold harmless the Assignee is conditional upon (a) the Assignee's timely motion or other appropriate action, on the basis of Article 15 of the CSA, to strike any defense, setoff, counterclaim or recoupment asserted by the Trustee or the Lessee in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and

accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Assignee's prompt notification to such Builder of the asserted defense, setoff, counterclaim or recoupment and the Assignee's giving such Builder the right, at such Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Lessee and not manufactured by a Builder and in cases of designs, systems, processes, formulae or combinations specified by the Lessee and not developed or purported to be developed by such Builder, such Builder agrees, except as otherwise specifically provided in Annex A to the CSA, to indemnify, protect and hold harmless the Assignee from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Assignee or its assigns because of the use in or about the construction or operation of any of its Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Assignee will give prompt notice to the appropriate Builder of any claim actually known to the Assignee which is based upon any such alleged infringement and will give to such Builder the right, at such Builder's expense, to compromise, settle or defend against such claim. Each Builder agrees that any amounts payable to it by the Trustee or the Lessee with respect to its Equipment, whether pursuant to the CSA or otherwise, not hereby assigned to the Assignee, shall not be secured by any lien, charge or security interest upon such Equipment or any unit thereof.

SECTION 4. The Assignee, on each Closing Date fixed as provided in Article 4 of the CSA, shall pay to the appropriate Builder an amount equal to the portion of the Purchase Price of its Equipment as shown on the invoice therefor then being settled for, which under the terms of paragraph 4.3(b) thereof, is payable in installments, provided that the conditions specified in Paragraphs 7 and 8 of the Participation Agreement shall have been satisfied and there shall have been delivered to the Assignee (with a copy to the Trustee) on or prior to the Closing Date, the following documents, in form and substance satisfactory to it and to Messrs. Cravath, Swaine & Moore, special counsel to the Assignee, in such number of counterparts as may be reasonably requested by said special counsel:

(a) a bill or bills of sale from such Builder to the Assignee transferring to the Assignee the security interest of such Builder in such units, warranting to the Assignee and to the Trustee that, at the time of delivery of such units under the CSA, such Builder had legal title to such units and good and lawful right to sell such units and such units were free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Trustee under the CSA and the rights of the Lessee under the Lease, and covenanting to defend the title to such units against demands of all persons whomsoever based on claims originating prior to the delivery of such units by such Builder under the CSA;

(b) a Certificate or Certificates of Acceptance with respect to such units of the Equipment as contemplated by paragraph 3.4 of the CSA and § 2 of the Lease;

(c) an invoice of such Builder for such units of the Equipment accompanied by or having endorsed thereon a certification by the Trustee and the Lessee as to their approval thereof if the invoice is in an amount other than the base price as specified in paragraph 4.1 of the CSA;

(d) an opinion of counsel for such Builder, dated as of the Closing Date, addressed to the Assignee and the Trustee, to the effect that the aforesaid bill or bills of sale have been duly authorized, executed and delivered by such Builder and are valid and effective to vest in the Assignee the security interest of such Builder in such units of the Equipment, free from all claims, liens, security interests and other encumbrances (other than those created by the CSA and the rights of the Lessee under the Lease) arising from, through or under such Builder; and

(e) a receipt from such Builder for any payment (other than the payment being made by the Assignee pursuant to the first paragraph of this Section 4) required to be made on the Closing Date to such Builder with respect to such Builder's Equipment, unless such payment is made by the Assignee with funds furnished to it for that purpose by the Trustee.

The obligation of the Assignee hereunder to make payment for any of the Equipment assigned hereunder is

hereby conditioned upon the Assignee having on deposit, pursuant to the terms of the Participation Agreement, sufficient funds available to make such payment and upon payment by the Trustee of the amount required to be paid by it pursuant to paragraph 4.3(a) of the CSA. In the event that the Assignee shall not make any such payment, the Assignee shall reassign to the appropriate Builder, without recourse to the Assignee, all rights, titles, interests, powers, privileges and remedies assigned to the Assignee pursuant to Section 1 hereof insofar as they relate to units of Equipment with respect to which payment has not been made by the Assignee.

SECTION 5. The Assignee may assign all or any of its rights under the CSA, including the right to receive any payments due or to become due to it from the Trustee thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 15 of the CSA, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. Each Builder hereby:

(a) represents and warrants to the Assignee and the Trustee that the CSA was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Trustee, the CSA is, insofar as such Builder is concerned, a legal, valid and binding agreement, enforceable against such Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time, at the request of the Assignee, make, execute and deliver all such further instruments of assignment, transfer and assurance and do all such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be; and

(c) agrees that, upon request of the Assignee, it will execute any and all instruments which may be necessary or proper in order to discharge of record the CSA or any other instrument evidencing any interest of such Builder therein or in the Equipment.

SECTION 7. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the Commonwealth of Pennsylvania; provided, however, that the parties shall be entitled to all the rights conferred by 49 U.S.C. § 11303, such additional rights arising out of the filing, recording or depositing of the CSA and this Assignment as shall be conferred by the laws of the several jurisdictions in which the CSA or this Agreement shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of Equipment.

SECTION 8. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Assignee shall be deemed to be the original counterpart. Each Builder shall be bound hereunder notwithstanding the failure of any other Builder to execute and deliver this Assignment or to perform its obligations hereunder. The rights and obligations under this Agreement of each Builder are several in accordance with its interests and not joint. Accordingly, whenever in this Agreement a right is conferred or an obligation is imposed on a Builder, such right shall be construed to accrue to or to be enforceable against only the specific Builder furnishing the units of Equipment giving rise to such right or obligations and its successors and assigns. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

GREENVILLE STEEL CAR COMPANY,

by

Vice President

[Corporate Seal]

Attest:

Assistant Secretary

THE MAXSON CORPORATION,

by _____

[Corporate Seal]

Attest:

MANUFACTURERS HANOVER TRUST
COMPANY, not in its individual
capacity, but solely as Agent,

by _____

Assistant Vice President

[Corporate Seal]

Attest:

Assistant Trust Officer

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment is hereby acknowledged as of January 1, 1982.

THE CONNECTICUT BANK AND TRUST
COMPANY, not in its individual
capacity but solely as Trustee,

by

F. T. Tavan
Authorized Officer

COMMONWEALTH OF PENNSYLVANIA,)
) ss.:
COUNTY OF MERCER,)

On this day of January 1982, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a Vice President of GREENVILLE STEEL CAR COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF MINNESOTA,)
) ss.:
COUNTY OF RAMSEY,)

On this day of January 1982, before me personally appeared , to me personally known, who being by me duly sworn, says that he is of THE MAXSON CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]

My Commission expires

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this day of January 1982, before me personally appeared , to me personally known, who being by me duly sworn, says that he is of MANUFACTURERS HANOVER TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said company, that said instrument was signed and sealed on behalf of said company by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

Notary Public

[Notarial Seal]

My Commission expires